

AMENDED IN SENATE AUGUST 27, 2001

AMENDED IN SENATE JULY 5, 2001

AMENDED IN ASSEMBLY MAY 31, 2001

AMENDED IN ASSEMBLY APRIL 30, 2001

AMENDED IN ASSEMBLY APRIL 16, 2001

CALIFORNIA LEGISLATURE—2001–02 REGULAR SESSION

ASSEMBLY BILL

No. 388

Introduced by Assembly Member Strom-Martin

February 20, 2001

An act to add and repeal Division 27 (commencing with Section 81200) of the Food and Agricultural Code, relating to industrial hemp.

LEGISLATIVE COUNSEL'S DIGEST

AB 388, as amended, Strom-Martin. Industrial hemp: ~~regulation; registration~~ *research*.

(1) Existing law contained in the Food and Agricultural Code does not authorize the commercial use of industrial hemp in this state. The Food and Agricultural Code provides that a violation of any of its provisions is, in general, a misdemeanor.

This bill would authorize ~~the growing of experimental or demonstration plots of privately funded research on~~ industrial hemp ~~for noninjurious commercial uses by persons who apply for registration with the Secretary of Food and Agriculture, as specified. A person registered to grow industrial hemp would be required to make an annual report to the secretary, as specified. A person who grows industrial~~

~~hemp in violation of the bill would be guilty of a misdemeanor. By creating a new crime, as defined, to be conducted in California after the state Department of Justice issues a state controlled substance registration and the federal Drug Enforcement Administration issues a federal controlled substance registration for research on the agronomic potential of industrial hemp. The bill would furthermore provide that the Department of Justice, in cooperation with the federal Drug Enforcement Administration and the county law enforcement agency having jurisdiction, shall monitor all phases of the research; the state Department of Justice shall assist the principal researcher in obtaining the necessary federal permits; the principals responsible for the research shall submit a detailed copy of the research proposal and quarterly status reports to the county law enforcement agency having jurisdiction and shall submit annual status reports to the Legislature; and all agronomic data derived from the research and maintained by a government agency shall not be subject to disclosure if the data is proprietary in nature and its disclosure would frustrate a legitimate government or law enforcement function. By creating new crimes, this bill would impose a state-mandated local program on local governments.~~

~~The bill would require the secretary to report to the Legislature on the development of industrial hemp as an agricultural crop in the state, as specified. The bill would provide that its provisions shall remain in effect only until July 1, 2005, and as of that date is repealed.~~

(2) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. Division 27 (commencing with Section 81200)
- 2 is added to the Food and Agricultural Code, to read:
- 3

DIVISION 27. INDUSTRIAL HEMP

81200. (a) The Legislature hereby finds and declares the following:

~~(1) The development and use of industrial hemp would be in the best interests of the state economy and agriculture.~~

~~(2) The production of industrial hemp can be regulated so as not to interfere with the strict control of controlled substances.~~

(1) California's agricultural economy is suffering from the impacts of drought, pestilence, and foreign competition.

(2) Industrial hemp provides many agricultural benefits, including drought and pest resistance and rotational benefits.

(3) Industrial hemp provides many opportunities for farmers to move into new markets, including ethanol, textiles, and cosmetics.

(4) California businesses that produce goods made from industrial hemp currently must import all raw materials because no local source is available.

(5) Our nation's founding fathers saw the value of industrial hemp and, for a period of time, required all farming colonists to grow industrial hemp crops.

(6) It is necessary and valuable to endorse and foster research into the viability of industrial hemp as a means of strengthening the state's agricultural economy.

(b) It is the intent of the Legislature in enacting this division to ~~promote the economy, agriculture, public safety, health, and welfare of the State of California by permitting the development of an industrial hemp industry while maintaining strict control over the production and use of marijuana.~~

81202. For the purposes of this division, the following terms have the following meanings:

(a) ~~"Commercial uses" means noninjurious adaptations of industrial hemp to the manufacture of ethanol, rope, sacks, and other sisal hemp products; batts, yarn, paper, composite materials, thread, cordage, merchandise, cloth, and other noninjurious products made from fiber; sterilized seed, inner hurds, or other plant material of industrial hemp.~~

(b) ~~"Industrial hemp" means C. sativa L.~~

(c) ~~"Secretary" means the Secretary of Food and Agriculture.~~

1 ~~81204. (a) The growing and maintenance of experimental~~
2 ~~and demonstration plots of industrial hemp by persons registered~~
3 ~~under Section 81206 is authorized in this state.~~

4 ~~(b) The experimental and demonstration plots shall be used to~~
5 ~~develop optimal agricultural practices for growing industrial~~
6 ~~hemp in California.~~

7 ~~(c) All plant materials from industrial hemp grown on~~
8 ~~experimental and demonstration plots, except plant materials~~
9 ~~retained for breeding and propagation, shall be used for~~
10 ~~noninjurious commercial uses only.~~

11 ~~(d) Industrial hemp produced by a person registered under~~
12 ~~Section 81206 is not a noxious weed.~~

13 ~~81206. (a) A person desiring to grow experimental or~~
14 ~~demonstration plots of industrial hemp for noninjurious~~
15 ~~commercial uses shall apply to the secretary for registration on a~~
16 ~~form prescribed by the secretary.~~

17 ~~(b) The application shall describe the noninjurious commercial~~
18 ~~uses for which the industrial hemp will be used and the specific~~
19 ~~location of each experimental or demonstration plot where it will~~
20 ~~be grown.~~

21 ~~(c) Priority shall be given to an applicant who demonstrates to~~
22 ~~the secretary that the applicant has entered into a contract with the~~
23 ~~University of California Agricultural Experiment Station to~~
24 ~~conduct studies on the applicant's plot, including, but not limited~~
25 ~~to, methods for breeding distinctive characteristics into industrial~~
26 ~~hemp for field identification purposes.~~

27 ~~(d) The secretary may grant the applicant permission to grow~~
28 ~~experimental or demonstration plots of industrial hemp for the~~
29 ~~noninjurious commercial uses described in the registration form.~~

30 ~~(e) The growing of industrial hemp by the registrant pursuant~~
31 ~~to the terms of the registration is a lawful agricultural activity.~~

32 ~~(f) Data related to the registration of experimental or~~
33 ~~demonstration plots shall be a public record.~~

34 ~~81208. (a) A person registered under Section 81206 shall~~
35 ~~notify the secretary annually of the production and sale or~~
36 ~~distribution of industrial hemp grown on experimental or~~
37 ~~demonstration plots under the terms of the registration and shall~~
38 ~~provide the secretary with the names of all persons to whom the~~
39 ~~industrial hemp plant material is sold or distributed.~~

~~(b) A person who grows industrial hemp in violation of this division shall be guilty of a misdemeanor.~~

~~81210. (a) On or before March 1 of each year, the secretary shall report to the Senate and Assembly committees having jurisdiction over agriculture policy issues on the development of industrial hemp as an agricultural crop in the state.~~

~~(b) The report shall include information on the number, size, and general location of registered experimental and demonstration plots and the noninjurious commercial uses of the industrial hemp grown on the plots.~~

~~(c) The secretary shall submit a final report by November 1, 2005, reporting on the cumulative information gained over three growing seasons on the results of breeding studies described in Section 81206.~~

~~81212. This division shall remain in effect only until July 1, 2005, and as of that date is repealed. permit privately funded research on industrial hemp to be conducted in California after the state Department of Justice issues a controlled substance registration, and the Drug Enforcement Administration of the United States Department of Justice issues a federal controlled substance registration for research on the agronomic potential of industrial hemp.~~

~~81202. (a) For the purposes of this division, the term "industrial hemp" means all parts and varieties of the plant *Cannabis Sativa* L. that contain a tetrahydrocannabinol (THC) concentration of three-tenths of 1 percent or less by weight, and does not include marijuana.~~

~~(b) Notwithstanding any other law to the contrary, privately funded research on industrial hemp may be conducted in California after the state Department of Justice issues a controlled substance registration, and the Drug Enforcement Administration of the United States Department of Justice issues a federal controlled substance registration for research on the agronomic potential of industrial hemp.~~

~~(c) The state Department of Justice, in cooperation with the federal Drug Enforcement Administration and the county law enforcement agency having jurisdiction, shall monitor all phases of the research permitted by this section.~~

~~(d) The state Department of Justice shall assist the principal researcher in obtaining the necessary federal permits from the~~

1 *federal Drug Enforcement Administration or other appropriate*
2 *federal agency.*

3 *(e) During the course of the research, the principals*
4 *responsible for the research shall do the following:*

5 *(1) Submit a detailed copy of the research proposal and*
6 *quarterly status reports to the county law enforcement agency*
7 *having jurisdiction.*

8 *(2) Submit annual status reports to the Legislature prior to the*
9 *convening of each regular session.*

10 *(e) All agronomic data derived from the privately funded*
11 *industrial hemp research permitted by this section and maintained*
12 *by a government agency shall not be subject to disclosure if the*
13 *data is proprietary in nature and its disclosure would frustrate a*
14 *legitimate government or law enforcement function.*

15 SEC. 2. No reimbursement is required by this act pursuant to
16 Section 6 of Article XIII B of the California Constitution because
17 the only costs that may be incurred by a local agency or school
18 district will be incurred because this act creates a new crime or
19 infraction, eliminates a crime or infraction, or changes the penalty
20 for a crime or infraction, within the meaning of Section 17556 of
21 the Government Code, or changes the definition of a crime within
22 the meaning of Section 6 of Article XIII B of the California
23 Constitution.

